

## Lockington, Elliott (SPAC/PSPC)

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**From:** Media <media@tpsgc-pwgsc.gc.ca>  
**Sent:** July 31, 2020 12:34 PM  
**To:** André Fillion  
**Cc:** Angela Intranuovo; Bryan Blom; Carole Charette; Caroline Audette; Lord, David (Ext.); Elizabeth Lindsay; Christensen, Esther (Ext.); Boulay, Francois (Ext.); Geneviève Côté; Irene Wu; James Stott; Jean-François Létourneau; Jeff Van Zyl; Jody Wood; Judith Rorai; Julie Hahn; Karim Adam; Kimberley Dicks; Liaison; Lucie Brosseau; Maria Cama; Marie-Christine Lalonde; Marie-Claude Hurens; Media; Medias Sociaux / Social Media (TPSGC/PWGSC); Melissa Pacheco; Me'Shel Gulliver Bélanger; Mia Arruda; Mohamed Lash; Nathalie Larocque; Nicholas Dorion; Rachel Lagacé; Renee Stephen; Rosemary Kinnis; Sara Lacasse; Sarah Moreau-Bélanger; Selma Mesri; Sonia Harvey; Tracey Paterson; Usman Chaudhry; Amanda Semaan; Annie Scalis; Brigitte Boucher; Crystal Allan; Edith Dauphinais; Haley Walsh; Isabelle Aubin; Noonan, Jamie (Ext.); Lyne Michaud (A); Michael Milito; Michael Scandiffio; Nathalie Bétoté Akwa; Nicolas Boucher; PA DGA Bureau SMA / AP PB ADM Office (TPSGC/PWGSC); Vanessa Audette  
**Subject:** Media Heads-Up / Tier 1 - COVID-19 - Follow-up - Amazon contract to distribute personal protective equipment / iPolitics

The following media request has been identified as **Tier 1**.

Communications sector will work with your group to develop the first draft response. New information not previously approved should be identified in purple.

Highest level of approval: **MO**

Program ADM approved response: August-04-20 at 12:00

### Media heads-up

iPolitics

Lim, Jolson (iPolitics)

Date call received: July-31-20 at 12:12

Deadline: August-04-20 at 11:30

Tier 1 - COVID-19 - Follow-up - Amazon contract to distribute personal protective equipment

### CONTEXT (for your information):

The reporter has additional questions about the Amazon contract to distribute personal protective equipment.

### VALUE STATEMENT:

### QUESTIONS AND ANSWERS:

**Q1. Was the \$200,000 paid was to cover the operational expenses related to distribution under the contract?**

**Q2. As well, since the contract has been suspended, who is exactly delivering PPE and other supplies to the provinces/territories?**

**Q3. What updates can you provide in terms of efforts to seek a "longer term, end-to-end logistics, storage, and distribution solution"?**

**Q4. On what day was the contract suspended?**

**Q5. What are the limits to what can be covered under the contract, which now have been exceeded?**

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**ANSWERED on Thursday, July 30, 2020.**

On April 1, 2020, the Government of Canada signed a contract with Amazon for access to its technology and services, allowing multiple provincial and territorial health establishments to order personal protective equipment (PPE) directly from the Public Health Agency of Canada (PHAC).

The contract with Amazon created a private storefront within the Amazon Business store that allowed authorized healthcare providers to order supplies directly from the Public Health Agency of Canada. The Public Health Agency of Canada was responsible for importing, receiving, and handling the personal protective equipment before orders were fulfilled. In total, 12.5 million personal protective equipment items were delivered across Canada under this agreement. Amazon provided their services at cost, without profit. The majority of the cost was for delivery through Canada Post and Purolator.

Since the contract was originally signed, the Government of Canada has significantly increased the volume of supplies being purchased, both internationally and domestically. The provinces and territories have also requested a more centralized distribution of personal protective equipment, where the Public Health Agency of Canada distributes supplies directly to one or two specific locations within each province and territory rather than to individual health authorities or institutions. As a result, the needs of the Public Health Agency of Canada have evolved and the Agency now requires a longer term, end-to-end logistics, storage, and distribution solution.

This work is significantly beyond what is covered in the Amazon contract. Amazon has indicated it is currently not able to manage the import, receipt and handling of personal protective equipment prior to order fulfilment. The Government of Canada and Amazon agreed to suspend the contract. While the contract specifies the Government of Canada can immediately end the contract by sending notice to Amazon, it can also continue without activity or cost until its planned expiry date of March 31, 2021.